

Warsaw Revamps Economy

New Laws Favor Investment in Private Sector

By Jackson Diehl

Washington Post Service
WARSAW — The Communist leadership Friday took a major new step toward radically modifying the country's economic system as parliament approved two laws removing controls on privately owned businesses and encouraging foreign investment.

Economists and party activists said passage of the laws, which were the subject of a 14-month battle within the party and government apparatus, represented the first significant measures in a "second stage" of economic policy change in Poland.

The program was first announced by the party leader, General Wojciech Jaruzelski, about two and a half years ago. But it had been stalled by bureaucratic resistance and high-level indecision.

The laws were revived and strengthened after the appointment of a new government in October under Prime Minister Mieczyslaw Rakowski.

One of the measures deals with private economic activity and the other with foreign investment. The laws offer conditions in these sectors nearly equal to those available to state-owned companies.

The laws will, in theory, allow private entrepreneurs to start up a company in Poland without obtaining permits from authorities and guarantee them equal access to bank credits and supplies of raw materials.

The new law on economic activity breaks ground within the Soviet bloc by removing all limits on the size of a private business, meaning that Polish capitalists will be able to own factories with thousands of employees. Previously, Polish private firms were limited to a maximum of 150 workers.

"We are no longer afraid of radical reforms," the chief government spokesman, Jerzy Urban, said in explaining the measures. "The Polish will see several years from now will have a different economy than it has had until now."

Independent and opposition economists generally praise the

See POLAND, Page 6

Kiosk

U.S. Breaks High-Tech Case

MIAMI (NYT) — The U.S. Customs Service said Friday it had broken up one of the largest international high-technology smuggling operations it has ever investigated with the arrest of a Dutch national.

Eddy Haak, 42, was arrested Dec. 14 in Miami and charged with illegally exporting computers to Soviet bloc countries. Officials said more arrests were expected soon. "The investigation is still going on," an official said. "So far we believe that about half a dozen companies in the United States, the same number in Western Europe and perhaps 30 people are involved."

The color was drawn from Bethlehem. After a harrowing year of the Palestinian uprising and Israel's harsh security response, there are no bright lights on the shops, no painted ornaments in the windows and no Christmas trees in most houses.

Michael Milken of Drexel Burnham Lambert Inc. The Wall Street portrayed in the government case against the company is not a pretty place. Page 7.

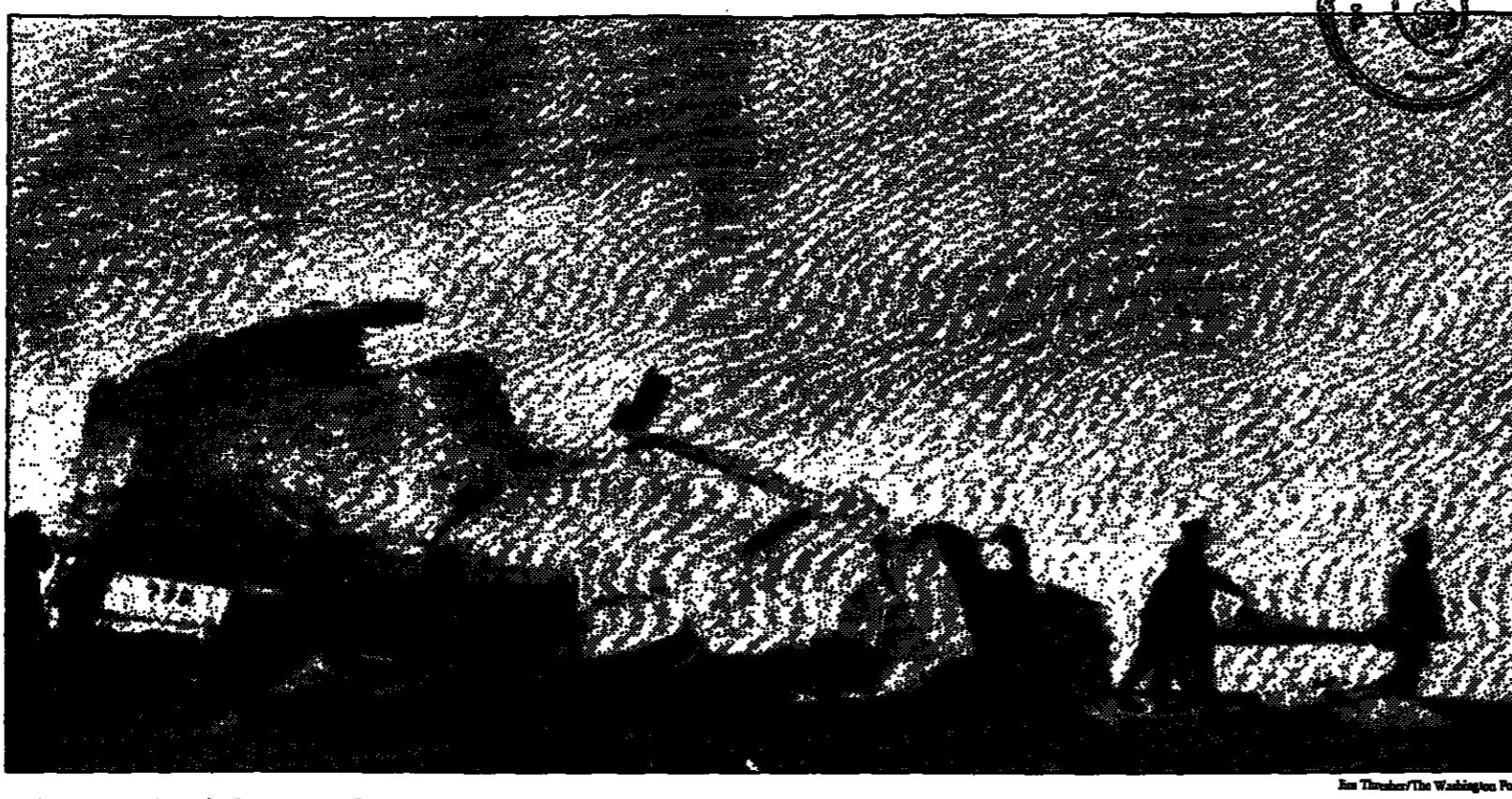
General News

Meat rationing has been imposed in a vast fertile area of the Soviet Union. Page 2. Two human rights groups report an Orwellian society in North Korea. Page 2.

Business / Finance

The current account deficit in Britain narrowed to £1.61 billion in November. Page 7.

Dow Close The Dollar in New York
DM 1.7785
Up 1.8015
8.57 Yes 124.75
FF 6.0525



Policemen carrying a body on a stretcher away from the nose section of Pan Am Flight 103, which crashed in Scotland on Wednesday night, killing all aboard.

Knowledge of Threat Poses Legal Question

The Associated Press

WASHINGTON — The fact that the U.S. government and Pan American World Airways were both aware of a bomb threat before the crash of a 747 jumbo jet on Wednesday could raise liability problems for the airline, but probably not for the government, according to U.S. legal authorities.

"It's a difficult area," said Lee Kreindler, a New York attorney who specializes in aviation accident cases. "But if the government notifies the airline in question, I think the government position is justified."

Asked what an airline's obligation was once it had been notified of a threat, Mr. Kreindler said: "It's a tough situation. They don't have to stop operating or stop flying, but certainly they have a duty to meticulously inspect."

U.S. embassies and Pan Am officials were informed about the threat against the airliner following a telephone call to authorities on Dec. 5 by an unidentified Arab resident of Helsinki.

Many of the embassies put the alert on their bulletin boards. However, the warning was not passed on to the general public.

Mr. Kreindler said that in other instances of terrorism involving air travel, lawsuits have focused on airline security precautions.

George N. Tompkins Jr., a lawyer who specializes in defending airlines in accident cases, said that the notification on the embassy bulletin boards would "raise an interesting question for the other passengers who were not members of the State Department staff: Whether they should have received similar notice from Pan Am."

The Reagan administration said Thursday that it was re-examining its policy against public disclosure

of terrorist threats against commercial airliners.

"I think that certainly will be looked at," said Martin Fitzwater, the presidential spokesman. He acknowledged that "the public should be aware" of such threats.

"Public notification has to be considered."

Until now, the policy has been for the State Department to pass on information about terrorist threats to America carriers, through the Federal Aviation Administration, and to airports.

The man implicated in the plane call was cleared of involvement in the suspected bombing of the jet and released, the police said.

The plane carried passengers on a flight that originated in Frankfurt.

The police explanation left many doubts. Why was the destruction of

Finnish Police Clear Man in 747 Crash

By Barry James

International Herald Tribune

Police in Helsinki revealed Friday that the anonymous caller who tipped the U.S. Embassy about a plan to put a bomb aboard a U.S. airliner leaving Frankfurt had implicated a fellow Arab.

But the Finnish police said that they had interviewed the accused man and were satisfied that he was not involved in the apparent sabotage of the jet Wednesday.

The call Dec. 5 touched off an alert at U.S. embassies and airports throughout Western Europe. The warnings were not made public.

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The police explanation left many doubts. Why was the destruction of

the Pan Am jet so similar to the telephoned warnings? Why have the police not been able to trace the man who made the call? Why did U.S. authorities take the warning so seriously that an alert was posted in the U.S. Embassy in Moscow?

A spokesman said that several

Aviation experts say airports can do little to defend against a determined terrorist.

Page 2

State Department and it informed other embassies and the Federal Aviation Administration, which in turn alerted security chiefs at airports throughout Europe but did not tell the general public.

According to Seppo Tittinen, the head of the Finnish security police, the caller has several times telephoned the U.S. and Israeli embassies in Helsinki, warning in each case that the Abu Nidal Palestinian terrorist group was planning to plant a bomb on a plane, using a Finnish woman as a courier. In each case he named the same Arab resident as the perpetrator.

Mr. Tittinen said that the accused man had been checked on all occasions and had been found to have nothing to do with terrorism. He declined to identify the man, but he told The Associated Press, "He's been living in Finland for

some time and is married to a Finnish woman. We have questioned this man both in connection with earlier threats and now after the crash in Scotland, but so far we have no reason to believe that he has anything to do with the warnings or the accident."

Mr. Tittinen said that the calls appeared to be connected in some way with a personal feud, but he added the identity of the caller was not known for certain. He categorically denied that the anonymous warnings had been taken lightly.

"The authorities know every Arab living here," said an editor at the Helsinki daily Helsingin Sanomat.

He said the fact that the man accused of planting the bomb had made no attempt to leave the country after the warning on Dec. 5 or after the crash of the Pan Am jet

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See SEARCH, Page 6

For Namibia, Limits to New Freedom

By William Claiborne

Washington Post Service

JOHANNESBURG — When South-West Africa finally wins its independence next Nov. 1 after three-quarters of a century of South African colonial rule, its sovereignty, initially at least, will be little more than a空壳.

As it does now, South-West Africa, also known as Namibia, will have a majority black government in the ornate German colonial headquarters of the Tintenpalast (Ink Palace) in Windhoek, the capital, albeit one free of the autocracy currently exercised by South Africa through its white administrator general.

It will have its own constitution, its own flag and, eventually, its own currency, although the South African rand is likely to remain in circulation for some time after independence.

Namibia will be able to make its own laws

on a nonracial basis, and fashion its own economic system out of what the future leaders regard as an exploitative capitalist past. The new rulers no doubt will adopt the lexicon of a "people's republic," addressing one another as "comrade" and using other terms common to newly independent African states that have embraced socialism.

But many political scientists and economic experts agree that a free Namibia will be so economically dependent on South Africa that even if, as expected, an avowedly socialist government headed by the Soviet-backed South-West Africa People's Organization (SWAPO) comes to power, change in daily life will be scarcely noticeable.

Of Pretoria's decision to hand over power in Namibia, Alan Begg, of the South African Institute of International Affairs, has observed, "They believe there is an element of controllability over any new government, and as things stand, they have a strong case."

While there are at least 42 active political

Or, as Kenneth Abrahams, a founding member of SWAPO who now helps run the Namibia Independence Party, said earlier this year, "Even if we had a troika of Lenin, Castro and Mao Tse-tung, they would still have to deal with South Africa."

United Nations-supervised elections for an independent Namibian government are to be held on Nov. 1, 1989, and it is widely assumed both in Pretoria and in Windhoek that SWAPO, which has been waging a losing guerrilla war in Namibia since 1966, will win a majority of seats in a national legislature.

Most political experts expect the Namibian guerrillas to win 50 to 60 percent of the votes in a one-man, one-vote election. The only question, they say, is whether SWAPO, headed by Sam Nujoma, will win the two-thirds majority needed to push through its own constitution.

White South Africa has been

See NAMIBIA, Page 6

Spain Places Huge Order For Trains

Compiled by Our Staff From Dispatches

MADRID — RENFE, the Spanish state railway company, said on Friday it would buy 24 high-speed trains from Alsthom SA of France and 5 locomotives from Siemens AG of West Germany.

RENFE said the Alsthom contract was worth 52 billion pesetas (\$456 million), while the Siemens contract was valued at 33 billion pesetas.

The Spanish decision about who should build the high-speed train system was considered especially important because it was believed to be the largest international contract for such a system.

Alsthom and Siemens had each lobbied hard to get contracts for the entire train system, with President François Mitterrand of France actively promoting the bid by the French company.

The split decision appeared unlikely to completely please either the French or the Germans, but even less so the Japanese industrial giant Mitsubishi Corp.

The Japanese lost out altogether, despite news reports that had indicated Mitsubishi's bid for both portions undercut the French by about 30 percent.

The high-speed link planned between Madrid and Seville will be equipped with the 24 Alsthom

See TRAIN, Page 11

See CRASH, Page 6

This Christmas, Bethlehem Is Town Under Wraps

By Glenn Frankel

Washington Post Service

BETHLEHEM, West Bank — Christmas festivities are only a day away, but it's hard to tell in the little Arab town where the Bible says Jesus was born.

The color has been drained from Bethlehem. After a harrowing year of the Palestinian uprising and Israel's harsh security response, there are no bright lights on the shops, no painted ornaments in the windows and no Christmas trees in most houses.

Israelis troops on a tree next to the police station.

"There is no Christmas this year," says Nicola Canavati, one of the town's most prominent merchants. "My own 10-year-old son told me, 'Father, it would not be fair to have a Christmas tree this year.' I never expected to see the day when kids don't want to celebrate Christmas."

In the year of the uprising, even Christmas has become a political pawn, fought over by Palestinians

who have curtailed celebrations to protest the military occupation and by Israeli officials who insist that everything is perfectly normal.

A leaflet from the clandestine United Command for the Uprising called for a general strike on Christmas Eve and again on Jan. 6, the day before Orthodox churches celebrate Christ's birth. It asked for special prayers and the ringing of church bells on Christmas Day and the Jan. 6 Greek Orthodox Christmas to protest "the repression and tyranny of the occupation."

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Even before the leaflet appeared this week, Jerusalem's three main Christian leaders, the patriarchs of the Latin, Greek and Armenian churches, issued a joint statement saying they would continue themselves to worship services this year and cancel all other festivities, including their ceremonial visits to one another. Friday the office of the Latin patriarch, Bishop Michel Sabbagh, a Palestinian Catholic, announced he was also canceling

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The Many Versions of Scrooge: Mostly Bah and Humbug

By Caryn James

New York Times Service

NEW YORK — On one recent night, U.S. television viewers could have seen Albert Finney in the 1970 movie musical "Scrooge" singing "I hate people!" interrupted by a fried-chicken commercial featuring Mr. Scrooge (chicken so cheap, even a miser likes it), followed by a Bill Murray reprise in a most matter-of-fact tone, "Bah, humbug."

Seen one after the other, these three shallow Scrooges all bluffed to create the image of one silly misanthrope. They pointed to the pervasive but often debased way that Dickens's "Christmas Carol" lives on in popular culture.

Ebenezer Scrooge and his visiting ghosts, so rich and frightening in the original, have steadily become simple, stock figures on film and television. "Scrooge" may be the flattest adaptation yet of "A Christmas Carol" and the chicken commercial may be a new low, but they follow a tradition Dickens himself would have recognized.

Within weeks of the book's publication in December 1843, the first bastardized version appeared. A weekly magazine published what it called "A Christmas Ghost Story Re-organized from the original by Charles Dickens Esquire and analytically condensed."

Dickens, to whom words always meant money, took the publishers to court, complaining in a



Three Scrooges: Alastair Sim, Scrooge McDuck and Bill Murray; at right, Charles Dickens.



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letter to his lawyer that even "the language is the same. That where it is not, it is weakened, degraded; made tame, vile

ercises on Okinawa for flying low over rooftops. The suspended low-level jet flights, suspended by the local population, were accidentally fired into the sea. officials "pledged their basis on protection of individual military training."

A Former Suspect
Sweden said Friday it would drop the police to be a vital part of the investigation. The man, who was not named, was a Kurdish separatist movement involved in the murder of Mr. Karp. He was arrested a week earlier with a record of mental patient with a record of Mr. Palme.

Union Talks Term
Minister Felipe Gonzalez, however, at the participation of private members of the General Workers' Party, to a meeting Monday, he with him and representatives of the public sector and should be in parliament after admitting economic policies staged last week.

See Zahir Shah
An official arrived in Rome on a highly significant visit on the part of the king, Zahir Shah. Yahi M. Verdon, a deputy ambassador to Kabul, was in Rome. Minister Giulio Andreotti, who could also meet with Zahir Shah, in contact between Zahir Shah and the Soviet government. The former now for fear that, the king's visit.

as in China on Tie
Minister Ray, General of the army, with a point communiqué to improve and develop relations.

Visit to China by Indian Leader
India's Prime Minister, Indian leader for visitors to the country. Their dispute with India has been settled and a working group to meet on scientific and technical achievement. India's Prime Minister with Chinese Premier, Li Peng, and Zhai Ziyang, the Chinese Pe-

mentalist Is Slain
One of the best-known political leaders was shot and killed in the police station. The leader of the Communist Party of Japan, was a member of the government and was called an agent and the leader was killed.

Among Dr. Richter's contributions to his field was the concept of the "biological clock," a phrase that Johns Hopkins, in a statement announcing his death, said he introduced in 1927 in a paper on the cyclical internal mechanisms that govern eating, running, drinking and sexual behavior.

Other work by Dr. Richter demonstrated clearly for the first time that the biological workings of human beings were powerfully influenced by learned behavior.

In 1966, for example, he reported that when human ancestors learned to use fire, the discovery probably changed human habits significantly. Consequently, he said, the structure of the brain was also changed, and the ability to learn and communicate was enhanced.

Dr. Richter was credited with uncovering behavioral and biochemical relationships governing such diverse matters as sleep, jet lag, stress reactions and the onset of cancer and other diseases. He was one of the first to draw from psychology, physiology, neurology and psychiatry to produce new insights and syntheses of ideas, said

L UPDATE
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Hanoi Admits Economic Faults
Reuters

BANGKOK — The Vietnamese National Assembly has ended a stormy session with a dismal report on the economy and an apology by Prime Minister Do Muoi for the government's lack of economic success, Hanoi radio said Friday.

Shedding the reputation of the assembly as a rubber stamp for the ruling Communist Party, delegates criticized many government policies during the 6-day session and voted to end the session by the admission of failures by the cabinet.

th Korea

AMERICAN TOPICS

Salvation Army Left Out in Cold by Malls

The Salvation Army's traditional Christmas bell ringers are increasingly finding themselves forced out in the cold by indoor shopping malls. The Washington Post reports. The money that shoppers drop in the ringers' kettle goes for toys and food baskets for needy people. "We're not against the Salvation Army," said a spokesman for Wheaton Plaza mall in suburban Washington. "We do not allow anybody. Malls are for people to shop in."

"It's pretty congested inside," said a spokesman for the nearby Fair Oaks mall. "If you let one solicitor in the mall," said a spokeswoman for May Centers, which runs 23 malls across the United States. "You must let all solicitors in."

But Western Development Corp., which owns 25 malls, welcomes the bell-ringers. "It's important that the mall be part of the community," a spokesman said. "We want to keep all those holiday traditions alive."

In a letter to The Post, Andy Brown, a shopping center developer, wrote that "ultimately, the courts will rule" on the matter, but meanwhile, it needs plentiful publicity: if mall managers "seem to have little sensitivity about their civic responsibilities, they are very sensitive about public relations fiascos and resulting drops in sales."

Short Takes

The signs say "Always Open," but for the first time in 35 years, the 1,221 Denny's restaurants around the United States will close their doors Christmas Day. Locking them is a different story. Some buildings have been without locks for decades. At others, the locks have never been used and the keys can't be found. The company had to install locks at about 700 restaurants, said Joe Herrera, chief of marketing. The closing "will cost us about \$5 million in sales," he said.

"We just feel we spend 364 days a year taking care of other people's families; for one day a year we want to take care of our own."

Although a presidential commission has recommended a pay raise of more than 50 percent in the salaries of members of Congress, currently \$89,500 a year, critics point to the abundant perquisites available to senators and representatives. "Sure, I have perks," says Representative Steven H. Hoyer, Democrat of Maryland, but "there is no member who can pay for his mortgage or his child's tuition with perks."

The first black member of the Texas Rangers, the state's elite police force is Lee Roy Young Jr., 41, who spent 15 years as an investigator for the Texas Department of Public Safety. He got his Ranger badge after the National Association for the Advancement of Colored People accused the department of discriminating against black officers. Mr. Young said he is happy to be a role model but preferred to be viewed as just "another person working here."

When a wallet containing \$2,000 was found by Tommy Martel, 9, and Scott Senesi, 7, of the Boston suburb of Somerville, they returned it to the owner. He rewarded them with \$1. The Boston Herald did not give the name of this latter-day Scrooge. After John Bartolo, 35, a Boston housing authority worker, read about the incident, he and several friends toured bars, restaurants and a market and raised nearly \$100 for the boys.

Shorter Takes: Dodd, Mead & Co., which over the past 150 years has published George Bernard Shaw, H.G. Wells, Agatha Christie, Winston Churchill and Sigmund Freud, is in liquidation, blamed on competition from conglomerates and an intramural feud. •

The upright piano that figured in the Paris sequences of the 1942 film "Casablanca" was sold at Sotheby's in New York for \$154,000 to an anonymous Japanese film buff whose agent outbid the real estate magnate Donald Trump. •

Mark Goodin, the Republican National Committee's new communications director, said, "Many of these people are the same ones that sought the safe sanctuary of political anonymity during the primaries and even the general election."

"Now, they've crawled out from under that rock with a Bush sticker on their behind."

Chase Untermeyer, Mr. Bush's personnel director, sympathizes with the job seekers.

"I don't think anybody should be criticized for pushing themselves," he said. "That's the way the business is played. Those individuals who, through self-delusion, are waiting for the phone to ring with George Bush on the other end will probably never get a call. The phones here ring inward."

They also ring nonstop. The office of Governor John H. Sununu of New Hampshire, Mr. Bush's designated chief of staff, reports that some of the same people call every day, and every hour, hoping to get through to Mr. Sununu or an aide.

Mr. Untermeyer said there were 4,307 political appointees in the administration, and many of the

phones here ring inward."

Mr. Untermeyer, who began his acting career at 2 on the stage, was known in the 1960s as Trooper Duffy in the military TV fare, "F Troop."

Earlier, he had been one of The Three Mesquites, a group of B movie cowboy stars featured in dozens of pictures between 1935 and 1943 for RKO and Republic. Others who alternated in making up the three heroes in such films as "Powdersmoke Range," "Riders of the Whistling Range" and "Call of the Mesquites" included John Wayne, Bob Livingston, Duncan Reynolds and Jimmy Dadd.

Other deaths: Alice Boney, 87, a prominent artist in Oriental art, of cardiac arrest Wednesday in New York City.

Merrile S. Rukeyser, 91, a financial columnist and editor who lectured widely in the United States and abroad, of heart failure Wednesday in White Plains, New York.

Ivan Boldizar, 76, president of the Hungarian Pen Club and vice president of the International Pen Club, Thursday, the news agency MTI reported. The cause of his death was not given.

Syros Papadatos, 53, the bank commissioner investigating the Bank of Crete affair, the biggest financial scandal in Greece's history, Friday of a heart attack in Athens.

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OPINION

INTERNATIONAL HERALD TRIBUNE

Tragedy Over Scotland

The Pan American tragedy in Scotland, if in fact it resulted from terrorist's bomb, makes real a horror that flickers into the imagination of most of us only as a terrible and remote possibility. The normal hazards of air flight are, for the most part, stoically accepted by the flying public. But that some individual or group could so coldly murderously plan to plant the death of a large number of particularly vulnerable people, randomly selected, takes a long mental leap to comprehend. Of an "ordinary" hijacker it can be said that, in some measure, he joins his fate to the fate of those he terrorizes. There would have to be a special craze and cowardice, however, in whoever set the bomb — if that is what it was — that blew up a jellied Wednesday night over a hapless Scottish village. Some 20 of its residents were added to the plane's own toll of 259, most of them Americans bound for home and holiday.

The evidence of what happened to Pan Am Flight 103, which originated in Frankfurt, switched to another plane in London and was to continue to New York, will take time to assemble and analyze, and even then may prove incomplete. The clues that point to an act of terrorism are mostly in the category of faint scrawls: a warning message that stood out of the familiar back-

— THE WASHINGTON POST.

Wall Street's Watergate

With the prosecutors' latest triumph, the insider trading scandal unfolding in New York has come to resemble, in one respect, the Watergate affair. Both started with minor incidents — in the financial case, an anonymous tip from a South American officer of a brokerage firm warning the head office of a trading scam. As the investigation spread, it began to raise the question whether the law could be fully enforced against people of great power. As in Watergate, the answer is yes. As in Watergate again, this prosecution is producing a clear and welcome redefinition of basic rules, not by changing the law but by demonstrating that it is going to be applied rigorously.

The original letter from South America led investigations to a broker at Drexel Burnham Lambert Inc., who led them on to the flamboyant speculator Ivan Boesky, who in turn led them back to Drexel. Its agreement now to plead guilty to six felony counts of fraud and to pay \$650 million in fines culminates a two-year investigation.

The result is gratifying, but the way the prosecutors got there is, in one central respect, troubling. They threatened Drexel with a federal law known as RICO, the Racketeer Influenced and Corrupt Organizations act. If Drexel had not agreed to a plea, it would have been indicted, and RICO says that the government can seize

— THE WASHINGTON POST.

Limp, Lumpy, Lopsided

The world, it has been said, is divided between those who love salt and those who love sugar. It is also divided between those who can wrap packages and those who cannot. This division becomes dramatically clear each December.

Picture those who cannot. They are staring at a kitchen counter hopped with wrapping paper, tags, ribbon, tape and Christmas presents that, except for books and ties, invariably come in irregular shapes. Somehow, they've got to wrap those funny shapes with the paper with the ribbon and affix the little tags. In the end — and that might not come for hours — they will get the job done. But it is not going to look so hot.

About their use of paper: To begin with, these people have no notion of spatial relationships, which means they will not allot enough paper per package. Therefore the gap where the edges don't meet with a strip cut to size. This is not a pretty sight.

If by some miracle they do not err on the side of allowing too little paper they will ex-

— THE NEW YORK TIMES.

Other Comment

The Terrorists' Real Power

To pay for added security, American flag carriers charge their international passengers an extra \$5 each time they fly. Still, experts say, the odds favor a dead terrorist over a security screen.

High technology may help someday. The U.S. Transportation Department is testing devices that can detect plastic explosives. But to keep terrorists from blowing more people out of the sky we must rely mostly on good intelligence — and plain good luck. Excluding transit passengers, an estimated 45 million international travelers will arrive or depart through London's three airports this year. An additional 16 million will pass through Frankfurt. There are limits to what can be done to screen such large numbers of people without installing basic changes in the way the civilian air traffic system works.

Terrorists crave such changes. A few years ago, after pilot John Testrake leaned out of the cockpit of the hijacked TWA Flight 847 on the tarmac in Beirut with a gun pointed at his head, large numbers of people shunned the airline. In a sense, for a time, the terrorists had scored a triumph. The real power of terrorists lies in the fear they can create. If we abandon ourselves to mindless dread, they shall have won.

— Syndicated columnist Andrew J. Glass.

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More Peace on Earth, Thanks to These Men

By William Pfaff

PARIS — There is a great deal more peace and good will among men this Christmas than anyone had a right to expect a year ago. This is due, in large part, to the disinterested efforts of a number of people willing to attack problems most others in public life had become content to ignore, or had despaired of settling.

The secretary-general of the United Nations, Javier Pérez de Cuellar, has been indefatigable and ultimately successful, in his effort to arrange a ceasefire in the Gulf War and to find terms on which a Soviet withdrawal from Afghanistan could begin. Javier Pérez de Cuellar, the U.S. assistant secretary of state, has done a signal service with his long, complex campaign to find a solution to the Namibian problem and the Angolan civil war. Both men have acted in the line of duty, but they took seriously responsibilities that others had taken perfunctorily.

The Swedish Foreign Office and diplomatic service, acting with the cooperation of the Egyptian Foreign Ministry and President Hosni Mubarak, have demonstrated what professionalism and moral determination could do to shift the Middle East from stalemate. In establishing a dialogue between the Palestine Liberation Organization and the United States, Foreign Minister Sten Andersson and his colleagues acted out of a disinterested concern to reduce violence and individual suffering.

Those in the American Jewish community who were willing to work with the Swedes — Stanley Sheinbaum of the Center for the Study of Democratic Institutions, and his associates — risked considerable personal costs because they appreciated the opportunity the Swedish initiative could offer both sides in the Israeli-Palestinian conflict. Again, there was a moral motivation.

East-West relations have changed because of Mikhail Gorbachev's realism and Ronald Reagan's willingness to take Soviet initiatives seriously. In this case both have acted in conscious pursuit of national interest; nonetheless the individuals have counted.

This writer is ordinarily inclined toward a pessimistic view of how the world works, and to skepticism about its reform, but systematic pessimism is a mistake. Good will is a force in public affairs. Good is not much talked about; it is a subject that tends to embarrass when brought up outside the conventional foundations of religion. Public men do not ordinarily discourse on virtue, nor much claim it, but it is, I think, a quality inseparable from greatness, as public men think of greatness — and seek it.

Most of those figures in history whom we think of as having possessed greatness are also likely to be seen as possessing virtue. The names in the American political pantheon — Washington and Jefferson, Lincoln, Lee — all possessed a quality

of disinterestedness, of obligation to interests apart from their own, however flawed or compromised by circumstance and social outlook and ambition each may have been.

This is true of Charlie de Gaulle or Winston Churchill or Jean Monnet, or of the Konrad Adenauer who waited in Cologne, in and out of prison, until his 73rd year, to reconstruct his morally ravaged nation and give it back its honor. When Monnet proposed the Schuman Plan to Adenauer — the pooling of German and French steel and coal production, eventually to become the European Community — he said the plan was not really technical but "essentially political. It even has an aspect which might be called moral." Adenauer replied: "This project is of the highest importance: It is a matter of morality. We have a moral and not just technical responsibility to our people."

As religious feasts go, Christmas is a sentimental one, of God's benevolence rather than man's obligation to sacrifice or virtue. The Victor-

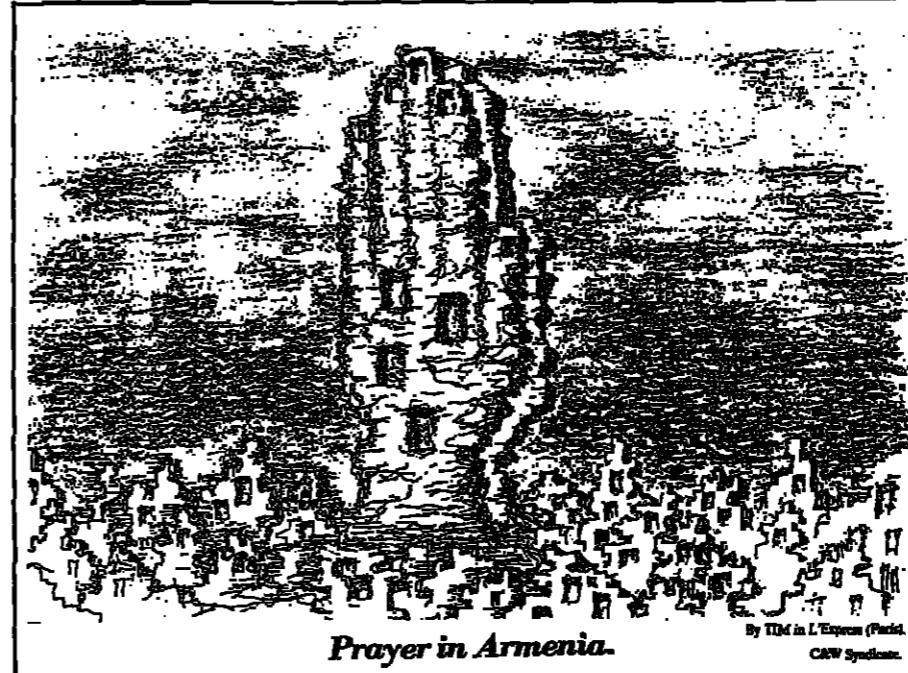
ians made it a childrens' and families' celebration, which it remains, despite the commercial battering it has been given in recent years. At its core, though, there is nothing sentimental. It observes the birth of an artisan's child, destined to austerer life in a society of herdsmen and peasants, eventually to face arrest, torture and a peculiarly painful form of execution, the avowed purpose of his life and death the release of mankind from the burden of a primal sin.

It is our habit to skip the primordial issue of moral responsibility in public life, as in private life, offering to ourselves the alibi of expedience and necessity. Still, sooner or later they have to be confronted, whether or not one accepts the New Testament account of divine redemption, or the Old Testament account of Adam's sin, since the responses to these questions define a life.

Virtue is a public as well as a private issue, uncomfortable as that may be. Virtue is a force in political life and in history. It is useful to be reminded of this, as we are this Christmas.

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Mideast: The Open Door May Lead to a Stone Wall

By Alexander M. Haig Jr.

WASHINGTON — The new American-PLO dialogue justifies neither Israeli despair nor Palestinian euphoria. Nor is it the stuporous breakthrough that some Middle East watchers would like to believe.

A door — a rhetorical door — has opened to reveal a murky passageway probably leading to a stone wall. That is, unless Washington forges a policy rather than a series of acts to deal with the Arab-Israeli conflict.

To understand this, we must put aside some of the more exciting possibilities, the first of which is that the United States has abandoned its struggle against terrorism, or its long-held positions on the Arab-Israel conflict. That has not happened, and should not. Secretary of State George Shultz simply stigmatized Yasser Arafat as a terrorist one week, denying him a visa, and then, when the Palestinian leader spoke clearly, recognized him as a potential peacemaker the next.

Mr. Shultz should be given credit for persuading the elusive PLO chairman at last that he could not "fake" it rhetorically. The secretary wanted the thing clean, and he got it.

But in the final analysis, the opening of a dialogue with a rhetorically oriented PLO is an act, not a policy. This act has already given birth to two major misconceptions that will dog the United States. First, the Israelis, suffering through both the *intifada* and the torture of forming a government, see in the act the opening of a new U.S. policy that could eventually lead to a Palestinian state imposed by the superpowers through an international conference.

Second, the Palestinians, who believe that the *intifada* brought them this far, risk believing that more *intifada* will bring them further, and that the Americans will deliver the Israelis to the mercies of the international conference. Mr. Arafat's newest version of his old two-track strategy — the olive branch and the gun — has become the stick of international pressure and the stone of the uprising.

Over the next six months, Israel, the United States and the PLO will face major tests. Israel knows that the *intifada* is making political headway. It has destroyed both the illusion of a comfortable status quo and the notion that at a last resort, Jordan would provide a safety net. The continuing violence provided a reluctant

United Nations Resolutions 242 and 338, Israel's right to exist and renunciation of terrorism) will be revisited over the early months of the dialogue.

Still, Mr. Arafat, even more so than Mikhail Gorbachev, has forced his agenda onto Washington even before George Bush takes office. The U.S.-PLO relationship will hold center stage early next year, and the United States will be on the defensive especially at the United Nations, at a time when the new administration has more important international business to pursue. It will require enormous fortitude and single-mindedness to dislodge the PLO of its misconceptions and to refocus attention on the only common ground of all the parties — the situation on the ground.

Only if that situation can be changed without deciding, before hand the ultimate status of the territories can a productive Israel-Palestinian dialogue develop. But this runs counter to the PLO's political campaign. More importantly, it runs counter to Moscow's drive to become a "partner" with the United States in resolving regional crises.

Finally, the PLO itself faces its most severe test. Mr. Arafat's immediate problem will be to sustain the credibility of his new rhetoric. Is it clear, for all of Mr. Arafat's words, that the PLO would negotiate on the basis of 242-338 without a Palestinian state being a precondition? If Mr. Arafat cannot "control" the murder of civilians because the PLO views all Israelis as soldiers or soldiers-to-be, what is his pledge worth?

The PLO's longer-run diplomatic campaign is also dependent on the persistence of the *intifada*, and through it the achievement of an international conference, not a dialogue in the territories. The "insiders" (the residents of the territories) will thus have propelled the "outsiders" (Mr. Arafat and his colleagues) to be the sole custodians of the Palestinian part of the peace process. That is why Mr. Arafat's ability to say the magic words is linked so closely to the international conference proposal. It remains the best way to avoid the dreaded moment when, because the PLO has failed to achieve results, the leaders of the *intifada* decide to conduct the peace negotiations, not just the rebellion.

The door has opened. But whether the difference leads to peace will depend on whether the Bush administration develops a clear Middle East policy, rather than being driven into a series of isolated acts that would make a just peace more difficult to achieve.

The writer was U.S. secretary of state in 1981 and 1982. He contributed this comment to *The Washington Post*.

The Challenge of the Child

HALF a million children have died in the last year as a result of their country's economic decline or stagnation. Recession in the 1980s has cut family incomes by up to a fourth in Africa and Latin America.

As James Grant, executive director of UNICEF, says in a new report, "For almost 500 million people, approximately one sixth of mankind, the march of human progress has now become a retreat." In the 37 poorest countries, spending on health is down by half; spending on education has fallen by a fourth. This rarely catches the eye of the media. As Mr. Grant notes, "It is happening not in any particular place, but in slums and shanties and neglected villages across two continents."

Outside forces — those of OPEC, the banks and the anti-inflationary economic policies of the industrialized countries — created the pressures that produced this situation. Yet, the countries of Africa and Latin America have allowed its effects to be passed on most heavily to the poorest and most vulnerable members of their societies.

The International Monetary Fund is often criticized for its Dickensian stringency, its demands that debtor countries take measures requiring an impossible economic and social squeeze. But, it must be said, many Third World countries make the squeeze by pruning basic health services, primary education and food and fuel subsidies, while leaving largely intact the budgets of the big hospitals, universities and airlines — which cater mainly to the middle classes — and of the military.

In Latin America and Africa must accept much of the blame for what has gone wrong. For in Asia, where the same unfeeling forces have been at work, average incomes and living standards have continued to rise.

Decades of development have given most Asian countries the capacity now to achieve dramatic advances in child health care. The leaders of seven South Asian states have committed themselves to the goal of universal child immunization by 1990 and, 10 years after that, universal primary education, adequate nutrition for mothers and children and safe drinking water for all. These countries could cut child deaths by 3.7 million a year.

UNICEF can help Asia do this. It has already achieved a breakthrough in immunization. A decade ago only 5 percent of the world's children were inoculated against major diseases; the figure is now 50 percent.

Mr. Grant's ambition is to call a world summit meeting of political leaders to address this "crisis and challenge of the child." Why not? The Asians have shown what can be done.

— Jonathan Power.

Fruitcake, Too, Seems Quite Improbable

By George F. Will

WASHINGTON — Among the many routs and revels that await our civilization, those associated with Christmas sometimes test one's capacity for taking life philosophically. The task of eating a pfeffernusse cookie without coating yourself with powdered sugar is as difficult as spelling pfeffernusse, but it is easier than eating fruitcake, the worst feature of this season.

Christmas, which — let us be fair — should not be judged by fruitcake, is, of course, a lot older than almost all the rituals that now encrust it. But, then, Christmas-like mankind, is a late arrival, as reckoned by Harvard's Stephen Jay Gould, who takes the long view, as paleontologists are wont to do.

The human species, he says, has been around for about 250,000 years, approximately .0015 percent of the history of all earthly life, "the last inch of the cosmic mile." The planet, indeed the universe, got along swimmingly without us, until, as we were, just the other day. This makes our arrival look awfully like a cosmic afterthought, an accident rather than the culmination of a plan.

Furthermore, says Mr. Gould, the many evolutionary factors that produced us are "quirky, improbable, unpredictable and utterly unpredictable." But unpredictable does not mean random. "It makes sense and

gives us a form of the lowly and improbable (fm and all that) explanation of us. The explanation may be superficially deflating, but it is ultimately liberating: "We cannot read the meaning of life passively in the facts of nature. We must construct these answers ourselves — from our own wisdom and ethical sense."

He may be right, but for many people the meaning of Christmas is that there is a "light" answer, a providential purpose to the evolutionary outcome. For some people, the origin of religious sentiment — awe — is in this thought: "The stunning improbability that produced us is itself an intimation of some special intention."

The playwright Tom Stoppard said that it may be slightly less improbable that a deity intended us, and planned our wayward path to existence, than that a green slime began to change and give rise, in time, to Shakespeare's sonnets. No matter where life came from, and why, the fact is it beats the alternative and makes things interesting. Alice Walker put philosophy in its place and gave consolation for a universe afflicted with fruitcakes when she wrote in one sentence almost all that needs to be said on the subject: "Life is better than death, I believe, if only because it is less boring, and because it has fresh peaches in it."

Actually, Mr. Gould gives us generous justice by noting the exhilaration

Washington Post Writers Group.

From Bush, The Right Spirit So Far

By James Reston
WASHINGTON — During the presidential campaign, Mr. Bush insisted that "ideology" should be the main issue and that it would be being applied here to his transition appointment. Unlike Jimmy Carter and George H. W. Bush, who ran against and against "insiders," Mr. Bush is them — maybe because he appealed to the ideologies. To win the election, he To govern with the Democratic control of Congress, he has experienced individuals, the members of State, Defense, Justice, the Agriculture, Commerce and Treasury, the Office of Budget and Management, the National Security Council, and the Central Intelligence Agency.

The conservatives like him of Jack Kemp, the old mentor, and Governor John Sununu of New Hampshire as White House staff. Still, Mr. Bush seems plumb around. The members of them, the conservatives, Mr. Sununu and Mr. Kemp are.

"We are the party of change," Bush said during the campaign, he means his son of him. He is not only saying, "The here," but that it "stars" in the Office. "Yes," he says, he is talking to Valerio Arribalzaga, who turned into strategic and days after the inauguration.

None of this will settle the over the budget, Middle East, or arms control. But this will be conducted in a different sphere. Mr. Bush knows what can be done without bipartisanship. Accordingly, he is making his opponents work for him: to the Democrats, to educators and environmentalists, even to the press. He has news conferences with than President Reagan had.

When people talk to Mr. Bush about why he looks so good, his problem, as told him the young psychiatrist who complained to the old psychiatrist was a wreck from listening to patients' difficulties. Why is the old psychiatrist always so serious? "Very simple," he said. "I never lose." That main change here Mr. Bush.

There have been dramatic transitions since Ronald Reagan has been studied at the University of Texas, which reached a peak about how to achieve expansion and change. Of these, he concluded, the transition from John Johnson to Ronald Reagan is the "smoothest." But it is man to Dwight D. Eisenhower's meanness, from Jimmy Carter to Ronald Reagan's robes.

The Carter campaign was to hit the ground running, it did. It moved John Kennedy into the Bay of Pigs. Mr. Regan into the "evil empire." Mr. Bush ran into promises to "make Europe and Mr. Nixon's promise of nuclear super-

The Carter analysis observed campaign statements and documents have a consistently source of difficulty to new presidents either constituting an admissions of something that is not yet seem desirable, or embarrassing when they find it necessary to some of their promises. Mr. Bush overlooked or ignored it when he promised to not use "sort of" nuclear weapons to defend Israel, who had given

"The crucial element in these transitions," noted the most, when the spirit of the age and the wisdom of the age. They must dispel that these everything that find it but not be embarrassed that their past and the future staff are made that change in government and public life that government and public life as much as anything else. They should be as much as anything else. They must earn their place in the public interest.

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Yves Montand: A Life on Screen

By Thomas Quinn Curtiss
International Herald Tribune

PARIS — Some of France's most famous and beloved actors are to be seen on posters all over Paris as a rash of movies open before the holidays.

Yves Montand's 40 years as an entertainer

and glorified in a celluloid extravaganza called "Trois places pour le 26" (Three Seats for the 26th). The title refers to the premiere of a show that Montand is preparing for his return to Marseille, the city of his adolescence. As he emerges in sports outfit and navy cap from his train his fans swarm about him and he dances down the steps of the Gare Saint-Charles with the joyful crowd.

The scenario for the celebration is in three parts consisting of fact, fiction and stage numbers. The fanciful ingredient is odd. A pretty aspiring performer invades his dressing-room to request tickets for his opening. She bewitches him with her naïveté and April freshness, and before long she is engaged as his time-and-toe partner. She is the daughter of a flame of his salacious days, a boy girl turned into a respectable lady. Is he her father? He wonders and so do we.

In the factual portions Montand looks back on his past and episodes flash by in shadowy re-

creation, never exacting as the actor makes no effort to be his younger self.

His debut took place at the Alcazar of Mar-

seille. In danger of being conscripted for labor

in Germany during the Occupation he left for the capital. He caught the attention of Edith Piaf, and she helped him train his voice. By the end of the war, he was already on the Moulin Rouge boards, his rise almost as swift and unlikely as that of his protégé in the current film. Since then he has displayed his talents as a comic, a cowboy, a straight actor on stage and screen and as a crooner on radio, television and

MINNEAPOLIS — History is looming larger every day on the art scene. In a highly focused exhibition conceived by Michael Conforti of the Minneapolis Institute of Arts, it has been taken one step further. It is at the heart of one of the most brilliant and original

SOUREN MELIKIAN

art exhibitions in the last decade, which is about the emergence of a nation and its culture seen through its royal objects d'art.

"Sweden: A Royal Treasury 1550-1700," which will be moving to the Royal Academy in London in March, recounts the meteoric rise of a medieval rural backwater on the outer edge of Europe to the status of a flamboyant international power. Sweden's case is unique in the West for the speed with which it forged an identity previously blurred under Danish domination, as it jumped from political limbo into statehood. The seat of a peasant army led by a chief called Gustav Vasa, which crushed the professional soldiers of Christian II of Denmark in 1521, then proclaimed to proclaim Vasa was king of Sweden two years later, has yet to be described by an historian of international stature.

So does the cultural metamorphosis made possible by the foundation of hereditary monarchy in 1544. The country dramatically opened up to cultural influences from the south. For two decades or so, Germany and the Netherlands became virtually the exclusive suppliers of both artifacts and craftsmen. Gustav Vasa's "close helmet with grotesque visor" was bought in Germany by the king's merchant Claus Heijden. It is an astonishing piece of steel sculpture in the round with one section covering the head and the movable visor worked like a mask with superbly etched features. The sleek surface on which details such as the hair around the ears or the shading under the eyes are indicated by the light incisions of the etching, and the widely opened eyes, give it a stylized expressiveness that still belongs to the medieval tradition.

A generation later, Sweden had

jumped into the most advanced international fashions of Europe. The occasion was the coronation of Erik XIV in 1560. The regalia that was ordered are of astonishing magnificence, utterly disproportionate to the means of a small nation that was just coming into its

medieval tradition.

The ultimate in sheer beauty and

certainly in novelty to visitors, even

to most specialists in the field, is

another shield attributed on similar

grounds to Libaarts using Delaune

designs. The sculptural quality and

the chiseling are so perfect that it

was at one point associated by leg-

ends with the Italian goldsmith Ben-

venuto Cellini. Seen at close range, as

will only be possible in Minne-

apolis until Jan. 1, it stands out as

one of the great achievements of

what could be called miniature

sculpture of the Renaissance for

the small size of its embossed fig-

ures. But in the 17th-century Swed-

ish castle of Skokloster where it is

normally displayed, high up on the

wall in semi-obscurity it is impossi-

ble to make out more than the

broader outline.

As Sweden grew into a major

power and found itself embroiled in

the many wars that devastated it

such as the Thirty Years War, it

became totally imbricated into the

pattern of international culture

that was being devised in Northern

Europe, the Baroque Age increas-

ing, if anything, the trans-Euro-

pean trend of the Renaissance. The

greatest pieces of sculpture in the

round that are in the Swedish show

are probably the two gilded silver

figures of Atlas and Hercules, each

supporting an etched silver globe.

One represents the celestial sphere

and the other, our globe. On closer

inspection they can be recognized

as goblets — two gilded figures on

top serve as grips to lift the lids.

Their symbolism is obvious. They

represent the universe with our

planet at the heart of it and were

chosen for this reason when they

were presented to King Gustavus

Adolphus of Sweden, shortly after

he entered Nuremberg on March

31, 1632, at the head of the Swedish

Army. Nuremberg had just placed

itself under the protection of Swe-

den, siding with the Lutheran camp

against the coalition of Roman

Catholic princes.

By an extraordinary fluke we

know the history of the goblets.

The presentation book of the city

records that they were begun by

Christoph Jamnitzer — who died in

1618 — and completed by Jeremias

Ritter, who on Jan. 31, 1632, asked

to be paid for "the completed exe-

cution of the two Jamnitzer

globes." One of his sketches for

Goblets survives. It was inspired

by designs of the great Italian master Andrea Sansovino, even if the German interpretation, bursting with energy, is unmistakable. For full measure we even know the name of the man who did the splendid engraving work on the two globes. Johan Flauer. This was finished as early as 1620.

The care with which all such de-

tails are set down in the superb

book that serves as a catalogue is in

itself an indication of the new con-

cept that underpins this kind of

exhibition, in which the investiga-

tion of cultural history becomes the

central issue. It should be read be-

fore seeing the show. Yet the exhibi-

tion comes off because of the visual

impact of objects that are as

wonderful as they are new to the

majority of the public. The compact

format and the sustained pace

go a long way to make it work.

From the horse armor of a Polish

king to the gold crown and scepter

of the Swedish monarchy, it glitters

and sparkles all the way through.



The parade armor of Erik XIV.

ARTS / LEISURE

Berlin Street Art — With a Twist

By David Galloway

BERLIN — In the decayed district of Kreuzberg, everything's coming up roses for Georg Glückman, 31, and his Thai-born colleague Suwan Laimane, 37. The gifted and ingenious artists have found a way to market their works directly — in the spirit of the self-help galleries that launched the craze for neo-expressionist painting in the early 1980s.

But Glückman and Laimane do not sit for hours in a back-street space, hoping a potential customer may wander in. They tried that route, and found it left too little time for their real work. Still, they did not abandon the goal of bringing their witty, colorful works directly to the consumer. The solution was provided by the discovery of a disused flower automat in the Dresdener Strasse.

For 7 Deutsche marks (approximately \$4), latecomers could once select a bouquet after the local flower shop had closed. The new owner found maintenance bothersome, the price too low, but the old-style mechanism could not be adapted to take more coins. For Laimane and Glückman, the coincidence was too good to resist. Today they are the proud proprietors of the sole gallery in Europe that is open 24 hours a day, seven days a week.

In the glassed showcases of their Blumenautomat-Galerie, miniature sculptures await the collector. Laimane's are constructed of salvaged packing materials. Egg cartons are a favorite, for they are easily snipped, folded, wired and glued into a variety of fantasy shapes. The cheery scissors sculptures specialize in monsters — bulking, bug-eyed creatures that, for all their forked tongues and pointed claws, are as gentle and witty as their creator.

Laimane also produces bright-colored leaves that might have been plucked from a fairy-tale garden. Those for sale in the automat are hand-sized, but the artist produces man-sized versions, too, which he combines to form dense installations whose bizarre atmosphere is underscored by electronic music.

Laimane arrived in Germany in 1974 as a tourist, and stayed on to study visual communication in Dortmund. It was there that he met Glückman, who was exploring his way in his work. He, too, produces large-scale installations, and his automat miniatures are sometimes studies for later monumental variations.

Glückman uses a computer-assisted cutter to shape post-modern architectural fragments from Styrofoam — dizzyingly segmented columns and crooked pediments fused

to surprisingly lyric assemblages. Most contain a "window" where a single dried violet is pressed between sheets of plastic. Each intricate sculpture is an original, and each costs 7 marks.

Meanwhile, at company headquarters in Kreuzberg, a light-and-sound show has been installed as an additional treat for buyers. Glückman and Laimane are also developing a computer program that will make the automat itself into a glowing light-sculpture. That the two are working in a venerable German tradition is proved by a new show at the Deutsches Museum in Munich. It documents the variety of talking, squawking, head-wagging machines that Germans first produced for selling chocolates.

As the self-service idea gained steam, there seemed no limit to the dreams to persuade the graffiti star Keith

Collector's Guide

If you wish to sell
Estate Jewellery and
Exceptional Gemstones,
we provide expertise, council,
and all purchasing possibilities.
25 years of personal experience.
Discretion, security worldwide.

For appointment, contact<br

POLAND: Radical Laws

(Continued from page 1)
new laws but caution that it remains to be seen whether and how they will be implemented in practice. In recent years, even far less generous provisions for private enterprise were blocked on a day-to-day basis by the party and government bureaucracy, especially at the local level.

Activists of Solidarity, the banned trade union, also argue that the government measures do not touch on the bulk of the economy, which remains state owned and state managed.

Government officials say the two laws passed Friday are part of a package of several dozen laws that will fundamentally restructure the economy over the next several years. The parliament has already been presented with legislation that would create a commercial banking system in Poland next year and legalize the black market in foreign exchange, in effect making the Polish zloty convertible with the dollar inside Poland.

Authorities clearly hope that the changes will lead to increases in the supplies of consumer goods. Private businesses are being encouraged to compete with the state in retailing food products like meat and in building desperately needed new housing.

Although the party leadership has frequently failed to deliver on its promises of economic change in recent years, opposition activists conceded that the passage of the laws on foreign investment and private business activity in their present form offered an encouraging signal.

After taking power, the Rzeszowski government took the unusual step of withdrawing both bills from the parliament and rewriting them, restoring many liberal provisions in the process. One of the most severe critics of the laws, Alexander Paszynski, a private business lobbyist, said a private business "cannot be faulted."

Other economists said that while the law on private business activity was very liberal, that on foreign investment remained relatively conservative. While allowing foreign investors to hold an interest of up to 100 percent in a company, the law's tax provisions continue to compare unfavorably with those offered for joint ventures by the Soviet Union, Hungary and China.

Many new private firms may spring up under the new legislation, Western diplomats said. But they said that foreign investment in Poland was unlikely to pick up under the new provisions unless the government was able to bring greater stability to the economy. The economy suffers from inflation of more than 60 percent annually as well as shortages of basic raw materials, energy and labor.



In Manger Square, clergymen emerge from the Church of the Nativity amid watchful Israeli soldiers.

BETHLEHEM: Christmas in a 'Fortress' City

(Continued from page 1)
his traditional Christmas Eve pilgrimage to Bethlehem.

"Who can be happy or feel like celebrating these days when every family is in sorrow and in their houses there is no joy?" asked a spokesman for Bishop Sabbagh.

Mayor Elias Freij of Bethlehem, a Christian Arab considered one of the area's most prominent political moderates, banned Christmas tree lights from Manger Square and acceded to the Bethlehem Boy Scout troop's request to boycott Mr. Sabbagh's annual Christmas Eve pilgrimage to the Church of the Nativity.

Mr. Freij says that he will be there because protocol requires it but that other residents plan to stay home. He has also canceled his an-

ual Christmas Eve reception for the second year in a row.

"On Christmas this is going to be a fortress city," said Mr. Freij, glancing out his office window at the square, where about two dozen soldiers armed with automatic weapons could be seen. "I am the mayor of Bethlehem and I am a Christian, but first and foremost I am a Palestinian Arab. What do the Israeli really expect from us? To bow our heads and say, 'Lord bless the occupation?'

Israeli officials insist nothing will be allowed to spoil Christmas. The Ministry of Tourism is sponsoring Christmas Eve performances in Manger Square by church choirs, including one from Washington, D.C., Shiloh Baptist Church.

"Nothing has changed in the intrinsic meaning of Christmas in Bethlehem, and no secular municipal action will either dampen the religious fervor of pilgrims or mar their freedom of worship in Bethlehem," said the ministry in a statement.

Bethlehem is under military occupation rules that give the army virtually unlimited powers of arrest and seizure. Thus, when the area's military governor, Lieutenant Colonel Shmuel Lavi, called in the owners of each of the town's 43 tourist shops last week to ask why he had not erected Christmas lights, many took it as an act of intimidation — although Colonel Lavi and some of the owners themselves denied intimidation was a factor.

NAMIBIA: Influence of Past

(Continued from page 1)

parties in Namibia, a fractious territory of 11 racial and ethnic groups, SWAPO has broad support among the Ovambo people in the north, who comprise more than half of the Namibian population of 1.2 million. More than 95 percent of SWAPO's Angola-based guerrillas are Ovambo tribesmen.

The next-largest tribe group, the Hereros, also played a major role in Namibian independence, forming the nucleus of the South-West Africa National Union (SWANU) in 1959 with the backing of China.

However, SWANU has split into ideological factions over the years, with one branch siding with the Democratic Turnhalle Alliance headed by Dirk Mudge, the white minister of finance in the minority transitional government sanctioned by South Africa. Mr. Mudge was the first white politician in power in Namibia to advocate a black majority government under universal franchise.

Political analysts say that SWAPO opponents, including the SWANU branch aligned with the transitional government and some of Namibia's 100,000 whites, could form a front to fight the economic and force SWAPO to form a coalition government.

Leaders of the internal SWAPO political wing in Windhoek, which has not been outlawed by South Africa despite the bitter guerrilla war, say that they will be watching closely to see whether Pretoria promotes and funds the relatively conservative opposition during the election campaign, as it did when Zimbabwe became independent in 1979.

Mr. Nujoma, whose rebel group was recognized by the United Nations General Assembly in 1973 as the "sole and authentic representative of the Namibian people," has left no doubt what form of government he would like to install in the Interspa.

SWAPO has publicly declared that it would implement socialist economic policies, including the nationalization of industry and mining, with the goal of building a "classless, nonexploitative society based on the ideals and principles of scientific socialism."

Privately, however, some of the group's leaders concede that in the short term, at least, such a goal would be unattainable without wrecking the economy and causing an exodus of Namibian whites.

SWAPO leaders acknowledge that South Africa, at least at first, will continue to control the region's only deep-water port, at Walvis Bay, that it will still control the only rail line to Namibia, and that it will continue to provide 90 percent of the territory's food and manufactured goods until Namibia can find alternative trade routes.

CRASH: Cockpit Tape of Flight 103 Ends Abruptly

(Continued from page 1)
by the State Department and the Federal Aviation Administration to Pan Am and police authorities, but not to the general public.

"If you stop to think about it," he said, "such a public statement, with nothing but a telephone call to go on, would literally have closed down all the air traffic in the world."

Since the crash, there have been several incidents, all false alarms, that seemed to undermine the difficulty of dealing with telephoned threats. On Thursday, a plane carrying 242 passengers made an unscheduled landing in Rome after receiving a warning that was a bomb aboard, and in London, a plane took off five hours late for the United States because of a similar threat.

On Friday, an Air India plane flying toward New York returned to Heathrow International Airport in London because of a bomb threat. In another incident, a suspect suitcase forced hundreds of Christmas travelers to evacuate one of the terminals at Heathrow for nearly an hour, but the bomb squad found it contained only clothing.

In Lockerbie, about 70 bodies found by search parties were still

outdoors, and about 80 were placed in a makeshift morgue in the town hall.

Many bodies are thought to have been pulverized by fire and the impact of the 747 slamming into the ground. Papers, items of clothing and a mailing from the plane have been found up to 80 miles away.

Mr. Charles of the Transport Department said the spread of debris over many miles was "not unusual," since the plane was six miles high and winds were 115 knots. "In these circumstances a lot of the debris is going to be sent a very long distance."

An aviation safety consultant and former investigator for the U.S. National Transportation Safety Board, Frank Taylor, said a cockpit recording that appeared normal until the end could indicate an explosion knocked out communications, electricity and perhaps even severed the cockpit from the aircraft. Mr. Taylor made his comments in Washington on Thursday, before cockpit data from the Pan Am flight were made public.

Although aviation experts were reluctant to provide details, it is generally known that an explosive device placed in certain areas of the baggage compartment of a Boeing 747 could wipe out computer, electrical and communications systems. A State Department official said two of the Americans were involved in diplomatic security. One worked at the U.S. Embassy in Nairobi, and the other at the U.S. Embassy in Beirut. Two others were diplomats assigned to the Beirut embassy, he said. (AP, Reuters)

SEARCH: Helsinki Police Clear Man in 747 Crash

(Continued from page 1)
was seen as an indication he had nothing to hide from the police.

The U.S. Embassy declined comment on the Dec. 5 call, referring all questions to the State Department. A spokesman for the Israeli Embassy said that it had received no telephone warnings recently.

U.S. officials may have been on the alert for a radical Palestinian threat in the Nordic area following an attack near Athens on July 11 on a Greek ferry boat, the City of Poros. The organizer of the attack is believed to have been based in Sweden.

With the help of Interpol, the international criminal police organization, Greek detectives identified the apparent mastermind of that attack as Samir Mohammed.

LIABILITY: Questions Raised

(Continued from page 1)

for Pan Am in New York, said that from the Federal Aviation Administration about the threat also stated: "The information in this bulletin is solely for the use of U.S. carriers and airport security personnel and may not be further disseminated without the specific approval of the director of civil aviation security."

Ronald I. Spiers, the State De-

Kadar, a reputed henchman of Abu Nidal, Mr. Kadar married a Finnish woman in 1986 and lived with her in Stockholm until he disappeared shortly before the attack on the City of Poros.

Interpol sources say it is not certain if Mr. Kadar is still alive or whether he was killed in an explosion in Athens on July 11, when two or more persons suspected of involvement in the ferry assault died in the premature explosion of a bomb they were handling.

Abu Nidal is believed to be the pseudonym of Sabri Khalil al-Banna, leader of a Libyan-backed terrorist band that has carried out attacks against Jews, moderate Arabs and Westerners.

In Jerusalem, the foreign minister, Moshe Arens, said in a radio interview that he blamed "Arab in-

ternational terror" — a coded reference to Palestinian terror — for downing the plane Wednesday.

Mr. Arens said that the dialogue begun recently between the United States and the Palestine Liberation Organization would "strengthen the wave of terror and encourage terrorist groups and activities."

3 Teen-Agers Find \$547,000

Reuters

LOCKERBIE, Scotland —

Three teen-age boys found an envelope containing \$547,000 in traveler's checks in the wreckage of the Pan Am air crash.

The three — Stewart and Robbie Dodd, 14 and 13, and Alan Hyslop, 14 — discovered the brown envelope on Thursday in a chunk of wreckage near their home about six miles (10 kilometers) from the main crash site in Lockerbie. The police later collected the envelope.

Forster Dodd, the father of Stewart and Robbie, said: "Some of the checks were for several thousand dollars. It seemed to be official mail — the package said something like 'U.S. Mail Service,' and on it was written how much was inside, \$547,000."

Friday's NYSE Closing

Via The Associated Press

NYSE Index

High Low Close Chg.

Composite 150.04 149.73 150.04 + 0.34

Industrials 149.07 148.73 149.07 + 0.35

Transport 149.73 149.43 149.73 + 0.25

Finance 127.84 127.49 127.84 + 0.51

Market Sales

High Low Close Chg.

NYSE 1,000,000 999,000 1,000,000 + 100

AMEX 1,000,000 999,000 1,000,000 + 100

NASDAQ 1,000,000 999,000 1,000,000 + 100

OTC 1,000,000 999,000 1,000,000 + 100

NYSE 1,000,000 999,000 1,000,000 + 100

AMEX 1,000,000 999,000 1,000,000 + 100

NASDAQ 1,000,000 999,000 1,000,000 + 100

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NASDAQ 1,

as well as possibly incapacitate flight crew.

In Carlisle, 33 miles (53 kilometers) from Lockerbie, relatives of the 258 victims began gathering to identify the remains. An additional 22 people reportedly died at Lockerbie.

Pan Am had said 39 passengers aboard the plane, but Thursday discovered a greater number had been counted twice, lowering that number to 28.

Dozens of relatives, among them children, at least five were presumed killed in the explosion.

Four Americans on the plane were State Department employees.

A State Department official of the Americans involved in diplomatic service at the U.S. Embassy in Bonn, and the other at the embassy in Berlin. Two other diplomats assigned to the embassy, he said.

Chief Constable John Ross, the police had not accounted for them children. At least five were presumed killed in the explosion.

Four Americans on the plane were State Department employees.

Mr. Ruder said the SEC was worried about:

• Legal loopholes permitting some raiders to avoid the detailed financial disclosure required in buyouts by management.

• The accuracy of so-called "fairness letters" from investment bankers that are used to establish reasonable prices for buyouts.

• The risks being assumed by brokerage firms and institutional investors who help finance the buyouts.

In the next several months, at least three other Senate and House committees are scheduled to take up various aspects of the leveraged buyout, in which investors finance the acquisition of a company with heavy borrowing, counting on sales of company assets to handle the new debt.

The technique, which has large tax advantages for the buyer, has become highly controversial because the huge debts that result leave companies far more vulnerable to failure during a business recession. There is growing concern, Mr. Ruder said, that banks, thrifts and insurance companies may be putting too much money into financing multibillion-dollar buyouts.

Similar concerns exist about the risk levels assumed by institutional investors who buy large amounts of junk bonds and investment banks and brokerage firms that get involved in bridge loans for leveraged buyouts, he said.

3 Teen-Age
Find \$547,000

By STAN HINDEN
Washington Post Service

LOCKERBIE, Scotland — Three teenage boys found an envelope containing \$547,000 in traveler's checks a wreckage of the Pan Am plane.

The three — Steven Robbie Dodd, 14, and Alan Hyslop, 14 — dropped the brown envelope on the floor in a chunk of wreckage near their farm about 10 kilometers from the crash site in Lockerbie. Police later collected the envelope.

Forster Dodd, the father of Steven and Robbie, said: "Some of the checks were several thousand dollars and seemed to be official at the post office, and the postman said was like a Pan Am Service. It was written on one inside \$547,000."

Mr. Ruder said that the fairness opinion generally has come under state jurisdiction in the state's role as overseer of corporation law. "The problem is very difficult," he said.

The subcommittee chairman, Edward J. Markey, a Massachusetts Democrat, concentrated his fire on the "fairness letter," which generally is prepared by an investment banker for a company whose management is trying to buy the concern. The letter attests that the price offered by management is fair.

"Typically," Mr. Markey said, "the investment bank relies almost exclusively on the limited information about the company supplied by management, and the letter usually states that the firm has made no independent verification of the information."

Mr. Markey urged Mr. Ruder to consider requiring that buyout proposals be accompanied by at least one fairness letter from an adviser who has no financial stake in the outcome. He also suggested that those who prepare fairness opinions be given more complete access to company records.

Mr. Ruder also expressed a general dislike for the way in which fairness opinions are obtained. "All in all," he said, "I am quite suspicious in a significant number of cases that the fairness opinion is prepared by somebody with an incentive to go along with management."

Mr. Ruder said that the fairness opinion generally has come under state jurisdiction in the state's role as overseer of corporation law. "The problem is very difficult," he said.

AMEX Most Active

AMEX Stock Index

Cross Rates

Other Dollar Values

Interest Rates

Euromoney Deposits

Key Money Rates

Asian Dollar Deposits

U.S. Money Market Funds

Gold

Interest Rates

France

Interest Rates

Friday's AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High Stock Div. Yld. PE \$k 1988 High Low Close

Symbol	Name	12 Month High	12 Month Low	Stock	Div. Yld.	PE	\$k 1988 High	Low	Close	Chg.	Chg. %
ABM	G	34.00	30.50	30.50							
ABP		1.70	1.60	1.60							
ABT		1.20	1.10	1.10							
ABC	A	1.20	1.10	1.10							
ABC	B	1.20	1.10	1.10							
ABC	C	1.20	1.10	1.10							
ABC	D	1.20	1.10	1.10							
ABC	E	1.20	1.10	1.10							
ABC	F	1.20	1.10	1.10							
ABC	G	1.20	1.10	1.10							
ABC	H	1.20	1.10	1.10							
ABC	I	1.20	1.10	1.10							
ABC	J	1.20	1.10	1.10							
ABC	K	1.20	1.10	1.10							
ABC	L	1.20	1.10	1.10							
ABC	M	1.20	1.10	1.10							
ABC	N	1.20	1.10	1.10							
ABC	O	1.20	1.10	1.10							
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ABC	V	1.20	1.10	1.10							
ABC	W	1.20	1.10	1.10							
ABC	X	1.20	1.10	1.10							
ABC	Y	1.20	1.10	1.10							
ABC	Z	1.20	1.10	1.10							
ABC	AA	1.20	1.10	1.10							
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ABC	AP	1.20	1.10	1.10							
ABC	AR	1.20	1.10	1.10							
ABC	AS	1.20	1.10	1.10							
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ABC	AL	1.20	1.10	1.10							
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CURRENCY MARKETS

in Bush,
the Right
it So Far

Reuters

NEW YORK — The dollar closed steady Friday as the market settled down for the long Christmas holiday, somewhat relieved that an assault on the U.S. currency, which occurred at this time last year, appeared unlikely, dealers said.

The market closed at 1.71 p.m. in observance of the holiday. The Chicago futures markets also closed early. Little actual trading was detected all day, they said.

"The dollar will be marginally bid until the new year because of relatively high interest rates," said Randy Harris, president of Merrill Lynch Japan Inc.

"The dollar ended at 1.7735 Deutsche marks, compared with Thursday's 1.7738 close."

The dollar finished at 124.75 yen, up from Thursday's 124.65.

At this time last year, the dollar came under heavy selling pressure as the market became very thin due to concern over U.S. budget and trade deficits after, dealers said.

"Before New Year, the dollar will be steady and supported by year-end demand," said a chief dealer at a New York bank.

After the New Year, he said, "the market wants to see a lower dollar, and Dan Quayle."

re the party of change." Mr. Bush, during the campaign, ap- pealed to his sort of change only saying, "The buck stops with me that it 'starts' in the Oval Office." He says, he approves of Yasser Arafat, and "No" to hawk Gorbachev, he will not be a strategic arms talks a few days before the inauguration.

budget, Middle East policy, control. But these debates conducted in a different atmosphere. Mr. Bush knows that little, without bipartisan support, he is not denouncing opponents but talking to the Democratic leaders and environmentalists and the press. He has held no conferences since the election.

resident Reagan had all year people talk to Mr. Reagan why he looks so good, despite his blunders, he tells them the story of a psychiatrist who came to the old psychiatrist that he was wrong from listening to his difficulties. Why, he asked, did the psychiatrist always look so serene, "Very simple," the old said, "I never listen." That's the change here: Mr. Bush listeners have been eight presidential terms since World War II. They been studied by the Miller Center at the University of Virginia, reached a few conclusions to achieve both community change. Of these eight, the center studied the transition from Lyndon Johnson to Richard Nixon was "smoothest," from Harry Truman to Dwight Eisenhower the best, from Jimmy Carter to Ronald Reagan the "rockiest."

The center warned against trying to "hit the ground running" by it, it noted. John Kennedy in the Bay of Pigs, Mr. Reagan as the "evil empire," Mr. Eisenhower promises to "liberate" Eastern Europe and Mr. Nixon ran into use of "nuclear superiority."

Miller analysts observed the impact statements and conclusions have consistently been a difficulty to new presidents, constraining actions that they find it necessary to take in of their promises." Mr. Bush selected or ignored this advice, he promised no new taxes as he promised the Pentagon's John Tower, who later got it.

The crucial element in the story often the spirit, the wisdom of the new president must dispel their illusions in anything they find is bad and corrected that their predecessors the career staff are incompetent, the career staff are incompetent, and that government can be at a standstill, and that government should be run as nearly as possible closed corporations, around congressional and public opinion.

They must learn that the environment is different and is difficult, too, will be learning in a few weeks in the people's interest."

Outside his military service, Mr. Quayle, Mr. Bush has given that Mr. Quayle has avoided one running on ideological issues, stuck with Mr. Quayle and his promise — both self-interested — but otherwise made no friends — in Washington, even though for a good beginning.

By New York Times

Dollar Closes Steady In Pre-Holiday Trading

London Dollar Rates

Closing	Frl.	Tin.
Deutsche mark	1.7715	1.7715
French franc	1.7200	1.7200
Japanese yen	124.48	124.45
Swiss franc	1.0465	1.0465
French franc	8.0490	8.0558

Brokers Find Tokyo Market Crowded

Foreigners Feel the Squeeze in Vying With Japan's Big 4

Reuters

TOKYO — Foreign securities houses are fighting a tough battle in Japan and the first casualties may be their research departments, according to brokers.

They conquered new ground in the booming Tokyo securities markets of the mid-1980s. But the worldwide decline in share trading after the October 1987 turmoil may force them to retreat.

"So many people overexpanded and now offer more services than the market is able to pay for," said Stephen Swope, general manager of Kidder, Peabody International Corp.

"It's a combination of the less favorable global market in the post-October environment and the high level of expense of operating in Japan," said Randy Harris, president of Merrill Lynch Japan Inc.

Tokyo weathered the crash better than Wall Street and the City of London, which both suffered heavy staff cuts.

The big wave began to hit American houses immediately after the crash, but it is heating up now in Tokyo, a securities industry analyst said.

Foreign brokers carved out a niche in Tokyo by selling securities to Japanese investors.

But the yen's rise dampened interest in dollar-based securities so the brokerages focused on selling local stocks and bonds to foreigners. Now they are expanding to sell local paper to Japanese clients and forming merger and acquisition teams to advise on foreign takeovers.

Masatoshi Yasuda, general manager of Citicorp's Tokyo investment banking unit, said last week that 34 people would leave their current posts in a couple of months, although there would be no layoffs.

DREXEL: Charges Show Seamy Side of Wall Street

(Continued from first finance page)

ing client by forcing it to set a lower conversion price on the bonds it was issuing. The sale came on a day when the COMB stock price rose anyway, and probably would have gone higher but for the short sale.

In the months following the sale of the bonds, the COMB stock price rose and the bonds were converted into common stock. Had the conversion price been higher, as might have happened but for the actions charged by the government, COMB would have had to issue fewer shares to redeem the bonds.

Another case involved an aborted attempt by Golden Nugget Inc., a casino company, to acquire MCA Inc., a major entertainment company.

According to the SEC charges, Michael R. Milken, the head of Drexel's junk bond operation, urged Stephen A. Wynn, the chairman of Golden Nugget, to undertake the acquisition. But Mr. Wynn, after his firm had acquired 4.95 percent of MCA's stock, decided not to proceed.

Selling the stock would have been difficult, had other traders known what was going on, and Mr. Milken is said to have arranged for Ivan F. Boesky to buy the stock at a price well above market value.

Mr. Posner, who is a co-defendant with Drexel in the SEC civil case, bought a majority of the stock and has run the company since then. Fischbach is trading at about \$17 a share on the New York Stock Exchange, about half the price at which it sold when Mr. Posner gained control.

Mr. Posner has denied wrongdoing.

After Golden Nugget sold some of its shares, he told a reporter for The Wall Street Journal that his company still owned almost 5 percent of the stock. Mr. Wynn, who was not charged in the SEC complaint, previously declined to comment on the accusations. His office said Thursday he was on vacation and could not be reached.

He added, however, that November's figures had removed any fear of a further immediate rise in interest rates.

Economists also said the underlying trends shown by the data offered little comfort to the British Treasury, which has forecast that the deficit would narrow to \$11 billion next year.

(Reuters, AP, UPI)

appear that Golden Nugget was able to sell its stock at a profit.

Another matter in which Drexel is said to be willing to admit wrongdoing is Victor Posner's 1985 purchase of a controlling stake in Fischbach Corp.

In this case, the SEC has argued, Drexel arranged for Mr. Boesky to help Mr. Posner evade a "standstill agreement" he had signed in 1980 in which he promised not to buy more than 25 percent of the company. That agreement allowed Mr. Posner to increase his stake if another person acquired 10 percent or more.

The SEC charges state that Mr. Milken directed Mr. Boesky to buy enough shares in Fischbach to cancel the standstill agreement, promising him that Mr. Posner would buy those shares later and protect Mr. Boesky from any losses. Mr. Posner later did buy Mr. Boesky's stock at a price well above market value.

Mr. Posner, who is a co-defendant with Drexel in the SEC civil case, bought a majority of the stock and has run the company since then. Fischbach is trading at about \$17 a share on the New York Stock Exchange, about half the price at which it sold when Mr. Posner gained control.

In effect, that maneuver was a variant of "parking," a Wall Street term for masking the true ownership of stock from regulators and the public.

relationships and interests that have often appeared in transactions involving Mr. Milken.

It involves Harris Graphics, a company in which Mr. Milken and other Drexel employees owned a stake.

Mr. Milken is said to have worked tirelessly at trying to persuade a long list of clients to buy the company.

Those efforts finally bore fruit when AM International Inc. bought the company for \$22 a share in June 1986, more than three years after Mr. Milken and his associates purchased their shares for \$1 each, making a profit of \$25.8 million. Drexel earned a \$4 million fee for arranging financing of the takeover.

As part of the campaign to attract interest in Harris by making it appear to be a takeover candidate, Mr. Milken is said to have directed Mr. Boesky to buy and then disclose a 5 percent stake in the company.

In fact, the SEC argued, Drexel guaranteed to absorb any losses by Mr. Boesky, and therefore was the owner of the shares. The violation of the law came in not disclosing that fact.

In effect, that maneuver was a variant of "parking," a Wall Street term for masking the true ownership of stock from regulators and the public.

TRAIN: Spain Splits Rail Orders

(Continued from page 1)

trains by the spring of 1992, in time for the opening of Seville's Expo 92. A link to Barcelona will not be ready until after the 1992 Barcelona Summer Olympic Games. Transport Ministry sources said.

Eventually, however, the high-speed rail is to link Spain to the rest of the 12-national European Community circuit by connecting at Port Bou on the northern border with France, then down to Barcelona, Madrid and Seville.

A westward leg off the Madrid-Seville line is planned to run to the massive Spanish rail modernization program that is expected to last until the end of the century.

As a result of its choice as suppli-

12 Month	High	Low	Stock	Div.	Yld.	PE	1985	Stks.	High	Low	4 P.M. Chg.	Net
224.23	212.12	199.00	Citibank	1.12	1.12	24.00	21.00	11	17.00	16.00	-0.00	16.00
150.10	142.00	135.00	Chase	1.12	1.12	24.00	21.00	12	17.00	16.00	-0.00	16.00
125.20	118.00	112.00	Chase	1.12	1.12	24.00	21.00	13	17.00	16.00	-0.00	16.00
125.10	118.00	112.00	Chase	1.12	1.12	24.00	21.00	14	17.00	16.00	-0.00	16.00
125.10	118.00	112.00	Chase	1.12	1.12	24.00	21.00	15	17.00	16.00	-0.00	16.00
125.10	118.00	112.00	Chase	1.12	1.12	24.00	21.00	16	17.00	16.00	-0.00	16.00
125.10	118.00	112.00	Chase	1.12	1.12	24.00	21.00	17	17.00	16.00	-0.00	16.00
125.10	118.00	112.00	Chase	1.12	1.12	24.00	21.00	18	17.00	16.00	-0.00	16.00
125.10	118.00	112.00	Chase	1.12	1.12	24.00	21.00	19	17.00	16.00	-0.00	16.00
125.10	118.00	112.00	Chase	1.12	1.12	24.00	21.00	20	17.00	16.00	-0.00	16.00
125.10	118.00	112.00	Chase	1.12	1.12	24.00	21.00	21	17.00	16.00	-0.00	16.00
125.10	118.00	112.00	Chase	1.12	1.12	24.00	21.00	22	17.00	16.00	-0.00	16.00
125.10	118.00	112.00	Chase	1.12	1.12	24.00	21.00	23	17.00	16.00	-0.00	16.00
125.10	118.00	112.00	Chase	1.12	1.12	24.00	21.00	24	17.00	16.00	-0.00	16.00
125.10	118.00	112.00	Chase	1.12	1.12	24.00	21.00	25	17.00	16.00	-0.00	16.00
125.10	118.00	112.00	Chase	1.12	1.12	24.00	21.00	26	17.00	16.00	-0.00	16.00
125.10	118.00	112.00	Chase	1.12	1.12	24.00	21.00	27	17.00	16.00	-0.00	16.00
125.10	118.00	112.00	Chase	1.12	1.12	24.00	21.00	28	17.00	16.00	-0.00	1

Totals	Class Pre-
1,000	1,000
225,255	225,255
276,641	276,641
225,423	225,423

NCAA Feels It's Beating The Cheaters

The Associated Press

KANSAS CITY, Missouri — Nobody is predicting the end of cheating in college athletics, but the NCAA thinks the war is being won. "I think we have turned the corner," said Dick Schultz, the NCAA executive director. "There is strong interest in compliance and operating within the rules."

Twelve schools were put on probation in 1988, a year that also saw the NCAA win a landmark victory in the U.S. Supreme Court. In a 5-4 ruling, the court said the NCAA did not violate the constitutional rights of Jerry Tarkanian, Nevada-Las Vegas' basketball coach, when it ordered the school to suspend Tarkanian for two years.

OKLAHOMA, Houston, Kansas, Cleveland State and West Texas State all drew three-year probation. Kansas was barred from defending its basketball title. Oklahoma and Houston were barred from television next year and from bowl games the next two years.

"It seems like we're tougher and we're wielding more authority than we used to," said the NCAA enforcement chief, David Bers.

"But we probably don't. At any rate, these things that have happened are just a natural extension of the special convention in 1985."

Both the NCAA's enforcement budget of \$1.7 million and its staff of 14 investigators are at an all-time high.

"Even though you're reading more about penalties right now, we're hearing more from coaches in the field that there is less cheating in the past," Bers said.

"Maybe they're just hiding more because of the increased penalty structure. But what they're saying is the cheating is not so bad. It seems to me it will take at least a year to determine if it's true. It's the first time in my experience that we've had comments like that."

What impact the Supreme Court's decision in the Tarkanian case will have on future enforcement efforts remains to be seen.

But said Bers, "The one significant impact it could have is that there is the perception that it's made us much more powerful. Psychological, that could work to our benefit."

To Our Readers

Canadian stock market prices are not available for this edition due to transmission problems.

E MENACE

SCOREBOARD

HOCKEY

NHL Standings

WALSH CONFERENCE									
Team	W	L	T	Pts	GF	GA	GP	W	L
Houston	21	11	2	44	163	139	23	11	11
Philadelphia	18	17	2	38	146	145	23	17	16
West	17	18	1	35	138	138	23	18	17
New Jersey	13	15	4	29	119	119	23	15	14
NY Islanders	8	24	1	101	146	146	23	24	21
Montreal	23	11	5	52	153	129	23	11	12
Boston	14	19	4	37	111	111	23	19	15
Buffalo	13	17	4	39	119	141	23	17	16
Hartford	13	18	2	36	115	115	23	18	15
Quebec	12	21	3	27	127	143	23	21	20
CAMPBELL CONFERENCE									
Winnipeg	W	L	T	Pts	GF	GA	GP	W	L
Montreal	18	11	4	41	143	139	23	11	11
Edmonton	13	15	6	22	113	116	23	15	14
Toronto	13	13	4	29	119	119	23	13	13
Minnesota	10	16	6	26	104	131	23	16	13
Chicago	8	22	4	20	119	115	23	22	11
St. Louis	7	23	1	17	127	143	23	23	20
THURSDAY'S RESULTS									
Montreal	2	1	0	3	144	142	23	2	1
Boston	1	1	0	2	147	147	23	1	1
Edmonton	19	13	4	42	167	141	23	13	10
Vancouver	14	17	5	33	119	116	23	17	6
Winnipeg	13	12	6	22	131	131	23	12	10
Montreal	2	1	0	3	144	142	23	2	1
Boston	1	1	0	2	147	147	23	1	1
Edmonton	19	13	4	42	167	141	23	13	10
Vancouver	14	17	5	33	119	116	23	17	6
Winnipeg	13	12	6	22	131	131	23	12	10
Montreal	2	1	0	3	144	142	23	2	1
Boston	1	1	0	2	147	147	23	1	1
Edmonton	19	13	4	42	167	141	23	13	10
Vancouver	14	17	5	33	119	116	23	17	6
Winnipeg	13	12	6	22	131	131	23	12	10
Montreal	2	1	0	3	144	142	23	2	1
Boston	1	1	0	2	147	147	23	1	1
Edmonton	19	13	4	42	167	141	23	13	10
Vancouver	14	17	5	33	119	116	23	17	6
Winnipeg	13	12	6	22	131	131	23	12	10
Montreal	2	1	0	3	144	142	23	2	1
Boston	1	1	0	2	147	147	23	1	1
Edmonton	19	13	4	42	167	141	23	13	10
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Montreal	2	1	0	3	144	142	23	2	1
Boston	1	1	0	2	147	147	23	1	1
Edmonton	19	13	4	42	167	141	23	13	10
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Edmonton	19	13	4	42	167	141	23	13	10
Vancouver	14	17	5	33	119	116	23	17	6
Winnipeg	13	12	6	22	131	131	23	12	10
Montreal									

Bush Kin Will Spend Christmas in Armenia

President-elect George Bush's son, Jeb, 35, and grandson, George, 13, will be spending Christmas in earthquake-devastated Armenia. They are to be volunteers on the staff of an AmeriCare cargo jet bringing supplies for children — medicine, infant formula, blankets and winter clothing, as well as toys. A spokesman for AmeriCare said, "We haven't forgotten it's Christmas and a boy can go a long way to lift a child's spirits." Bush said his family will miss his son and grandson this Christmas day, but he is pleased they are joining the service.

Frears recalls of the eventual meeting in New York: "They asked me when I could start, and I said, 'On Tuesday.'"

Shooting began on May 30, much of it on location at chateaux near Paris, and was completed 10 weeks later. Six weeks after that, Frears showed a rough cut of the film to Lorimar and Warner Brothers executives. "I told Bernie this has been a very, very good job," he says. "Nine months in and out gets my vote."

He acknowledges a certain irony in the fact that after spending much of his career making what he calls "socially concerned" films about the working class, his first Hollywood movie is about the French aristocracy. He chooses to focus on the political message within the story's amatory. "Mérimax," he notes, "described the de Laclos novel as 'a blueprint for the revolution.'"

As for the future, Frears says, "I don't know what form my life is going to take" — seemingly an allusion to the possibility of more overtures from Hollywood if "Dangerous Liaisons" is a success. At least for a while, he says, he may teach at a British film school and "enjoy my family."

"It's all very complicated," he says. "I don't know what I'm going to do next because I don't know whether I'm supposed to be here perpetuating some sort of struggle against this appalling government or go sit around a pool in Beverly Hills."

The idea that many British directors, driven by a lack of work at home, have migrated to Hollywood, suddenly strikes him as funny.

"Real men," he says, "go to Hollywood. Real men have swimming pools." He laughs loudly, then adds: "What I really need next is some good material."

This was excerpted from The New York Times Magazine.

POSTCARD

French Side of Hanoi

By Keith B. Richburg
Washington Post Service

HANOI — Japanese television crews are here. American war veterans are here. Taiwanese businessmen are here. Even an American English teacher is here. The dilapidated Thong Nhat Hotel hasn't seen this much activity since the French were around.

A stroll through the dingy and dimly lit lobby found Japanese television crews covering the visit of the UNICEF goodwill ambassador, a popular Japanese TV personality. The press corps was well represented, with a British television crew trading war stories with an American newspaper correspondent, while four Filipino reporters covering the trip of the Philippines' foreign secretary were trying to figure out how to file their stories.

Near the bar, three burly and bearded American ex-GIs, veterans of the Vietnam War, were passing red carpet treatment on their tour as part of a group called Veterans for Peace. The fourth member of their group joined them dressed in his old combat fatigues.

At another table, four American professors in town for an academic conference were exchanging notes. Their meeting broke up when the group was joined by the Vietnamese economist, Nguyen Van Oanh, who flew into town from Ho Chi Minh City to meet with a visiting delegation from the Asian Development Bank.

Some members of a 38-man trade delegation from Taiwan were passing through the lobby. Their business suits, white shirts and ties stood out in a city where the common attire is an open-neck shirt and sandals — even in winter.

THE Thong Nhat Hotel — an old French-era edifice with peeling paint, friendly mice and brown gum that spews from the guest rooms' facets — has long served as Hanoi's principal meeting place.

About a year ago, it got a bit of a face-lift with new hardwood lobby chairs and new ceilings that were barely able to disguise the hotel's grim character. Despite that appearance, it's hard to get a room.

Hanoi is desperately short of hotel rooms — particularly rooms with running water. The new openness — *glasnost* Vietnamese style — has meant a stream of visitors. An Eastern Bloc diplomat re-

marked, "It's been like mecca around here recently. Everyone is coming."

Despite the increasing number of international guests, Hanoi remains largely provincial town, more like a 1930s French colonial outpost than the capital of a communist country of 65 million people.

DESCRIBING Hanoi as French may sound odd in a country that prides itself on having defeated the French at Dien Bien Phu more than 30 years ago. Despite that intense nationalism, Hanoi has clung to some French traditions and retains a bit of its former French character.

Older Vietnamese men still bicycle around Hanoi's streets wearing French-style berets, greeting foreigners with a polite "Bonjour!" Women on street corners sell French bread. The streets are dotted with new cafés, where young people sit outside idling time over cups of *café au lait*.

"Hanoi is a bit of an anomaly," said Christopher Goscha, an American graduate student. "It's extremely poor, but it's also 1930s French colonial."

Some feel that, as Vietnam continues to open to the outside world, the city may lose its French charm. "The Vietnamese desperately want to be modern," said a Western ambassador. "And to them, the epitome of modern is the United States."

The interest in the United States can be seen in the numbers of people angling to learn English. Besides Goscha, an exchange student from Georgetown University, Hanoi's second known American resident is an English teacher, Virginia Gift.

Gift, a teacher formerly at the American School in Paris, came in the fall to Hanoi because, in her words, "I don't like the policies of my government." She found the demand for English so great that she has had to divide her time among teaching future Vietnamese diplomats, doctors, and even teaching teachers.

The hardest part, she said, is teaching the Vietnamese about American cultural nuances. "How do you explain Disneyland to a roomful of party cadre?" she said. "And junk food — do you want to try that one?"

By Robert Lindsey
New York Times Service

LONDON — One morning, as London seared a rare Indian summer, Stephen Frears boarded a jet at Heathrow Airport for Los Angeles. With him were three cardboard boxes containing 12 reels of film. They were evidence that the British film director had won, or so it seemed, a race to turn a 20-year-old French novel of sex, love, corruption of innocence and other diversions of the *ancien régime* into Hollywood gold.

Asked what the title of the movie would be, Frears said it was still a mystery. The mystery was solved by Warner Brothers when he landed. The movie, based on a stage version of "Les Liaisons Dangereuses," a novel written in 1782 by a French military officer, Choderlos de Laclos, would be called "Dangerous Liaisons," a marketing concession to fears that moviegoers might be scared off by a foreign-language title.

A few hours after arriving in Hollywood, Frears showed his work-in-progress to a sneak-preview audience. The next day, he was in New York, showing the film to critics. The following day, he was back in London for final editing and soundtrack dubbing.

"It would be boring," Frears said during a break in scoring the picture, "to spend years making a movie. It's amazing what you can do when you've got an Oscar-winning director" staring over your shoulder.

Frears was referring to Milos Forman, the Czechoslovak-born director who won Academy Awards for "Amadeus" and "One Flew Over the Cuckoo's Nest." For more than a year, Forman has been working on a movie based on the same novel.

By late summer it was clear that Frears and his cast, headed by Glenn Close, John Malkovich and Michelle Pfeiffer, would win the race. Frears would even bring his 10-week shoot to a close within its \$15 million budget. Forman, after falling behind on his schedule, is not expected to finish "Valmont," a more lavish production that will cost about twice as much, before late spring or early summer.

Frears had a second deadline: The story centers on an act of sexual revenge plotted by a beautiful, promiscuous French woman, the Marquise de Merteuil, portrayed by Close. Angered when a lover spurns her for a 15-year-old virgin, she offers herself to a former lover, the Vicomte de Valmont, played by Malkovich, if he, in exchange, will deprive the girl of her virginity. Valmont succeeds. During a Byzantine sequence of plot twists en route to the conquest, he falls in love with a married woman portrayed by Pfeiffer, breaking the code he shared with the Marquise not to mix love with sex. Ultimately, the story turns to tragedy.

Frears, at 47, has just begun to experience the kind of success that many in England predicted for him 20 years ago. He is best known in the United States as the director of the 1985 film, "My Beautiful Laundrette," about London's Pakistani community. He pursued some of the same themes two years later in "Sammy and Rosie Get Laid."

By tacitly deplored the excesses of the ruling class, "Dangerous Liaisons" emerges with a remote kinship to "Laundrette" and "Sammy and Rosie." Yet this new film, with its bewigged cast roaming through French chateaux, is a long leap from working-class Britain.

The story centers on an act of



Stephen Frears (left) directed John Malkovich and Michelle Pfeiffer in "Dangerous Liaisons."

"Dangerous Liaisons" would have to open in the United States December in order to qualify for the Academy Awards in March. He finished the editing with three weeks to spare.

He beat his better-known rival to the finish by applying lessons learned while churning out well-regarded, low-budget films for British television. Thanks in part to this training, he chose to tell the classic French story not as an opulent period piece like "Amadeus" but as an intimate collection of personalities.

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Rebuffed, Lorimar executives approached other directors. "We spoke to everyone — all the obvious people you'd think of for this kind of a movie, and they all turned us down," says Bernie Brillstein, Lorimar's chairman. "They ran for the hills; they said they didn't want to go head to head with Milos Forman."

Lorimar had other problems. It

was in less than robust financial shape, would soon agree to be taken over by Warner Brothers and couldn't afford the kind of large budget that Hollywood is wont to throw at an "event" movie. But Brillstein had become obsessed with the project, and was convinced he could get the screen ahead of Forman — if he could find the right director.

Almost two years ago, Lorimar Film Entertainment Corporation agreed to pay about \$400,000 for the film rights to the play. But soon after a tentative deal was struck, with Hampton agreeing to write the screenplay, Lorimar executives discovered that Forman was planning his own movie. They invited him to direct their film, but Forman declined, pre-

tending to use a script he was co-authoring with the French screenwriter Jean-Claude Carrere. He reportedly selected Colin Firth, Meg Tilly and Annette Bening for the lead roles and forged ahead.

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Rebuffed, Lorimar executives approached other directors. "We spoke to everyone — all the obvious people you'd think of for this kind of a movie, and they all turned us down," says Bernie Brillstein, Lorimar's chairman.

"They ran for the hills; they said they didn't want to go head to head with Milos Forman."

Lorimar had other problems. It

was in less than robust financial shape, would soon agree to be taken over by Warner Brothers and couldn't afford the kind of large budget that Hollywood is wont to throw at an "event" movie. But Brillstein had become obsessed with the project, and was convinced he could get the screen ahead of Forman — if he could find the right director.

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CHRISTMAS GIFTS

ANNOUNCEMENTS

PERSONAL MESSAGES

ANNOUNCEMENTS

U.S. CITIES ON DATE

OF ISSUE

INTERNATIONAL CLASSIFIED

INFERTILE COUPLES

unable to have children

contact:

1992 - NOW I

interdean

INTERNATIONAL

MOVING

FOR A FREE ESTIMATE CALL

AMSTERDAM

ATHENS

BARCELONA

BREMEN

BRUSSELS

CAIRO

COPENHAGEN

DUBLIN

FRANKFURT

GENEVA

HAMBURG

HELSINKI

ISTANBUL

JERUSALEM

KATHMANDU

KIEV

KRAKOW

LIMA

LISBON

LONDON

LUXEMBOURG

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W